Update on Rock Island Arsenal (RIA) and Industrial Base Modernization (IBM) Task Orders (TOs)

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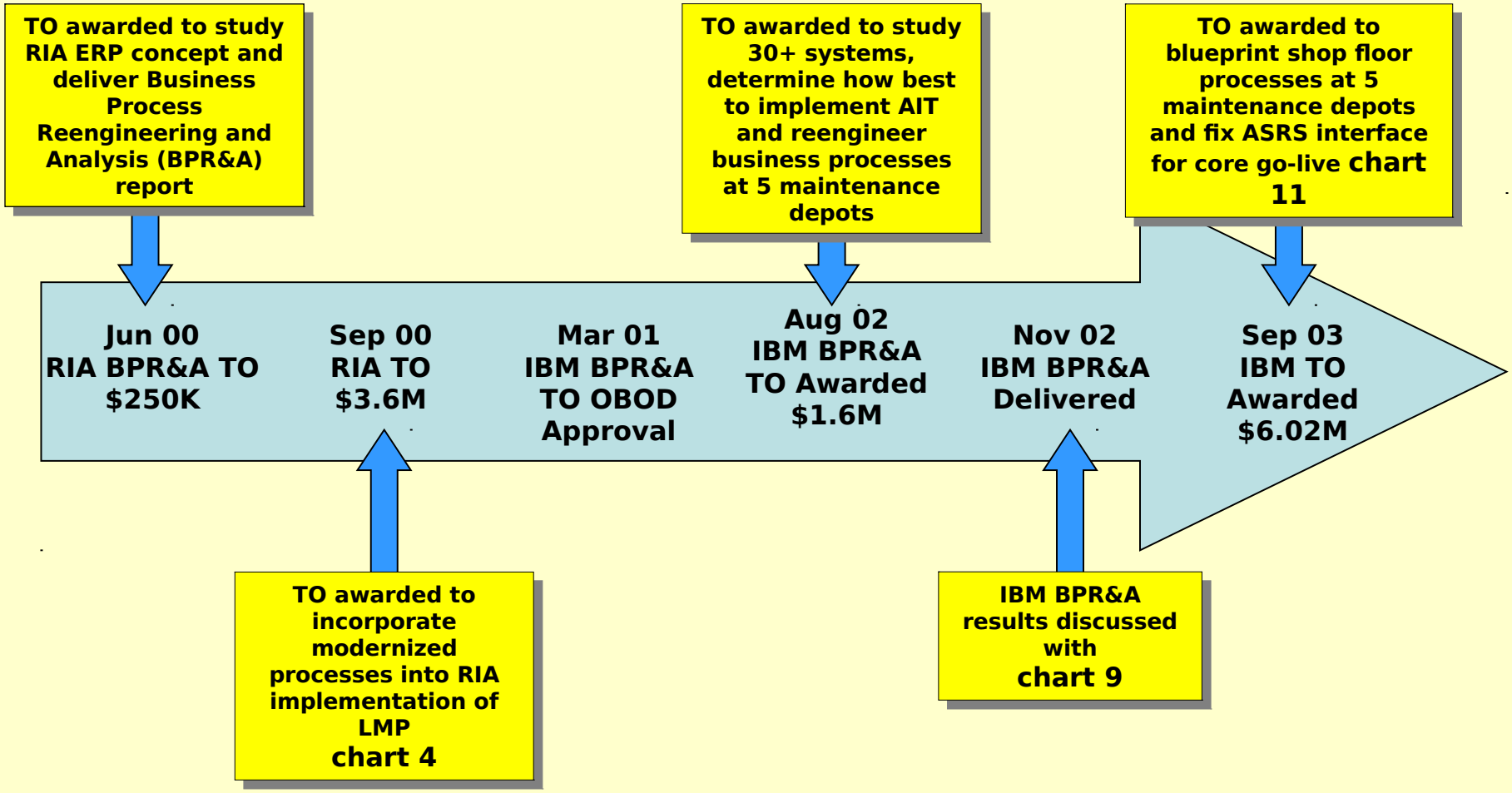
Purpose

Provide background and information for the Logistics Modernization Program (LMP) Rock Island Arsenal (RIA) and Industrial Base Modernization (IBM) Task Orders (TOs)

Rock Island Arsenal (RIA)/ Industrial Base Modernization (IBM) Task Orders (TOs) Timeline


TO awarded to study RIA ERP concept and deliver Business Process Reengineering and Analysis (BPR&A) report
TO awarded to study 30+ systems, determine how best to implement AIT and reengineer business processes at 5 maintenance depots
TO awarded to blueprint shop floor processes at 5 maintenance depots and fix ASRS interface for core go-live chart 11
Jun 00 RIA BPR&A TO $250K
Sep 00 RIA TO $3.6M
Mar 01 IBM BPR&A TO OBOD Approval
Aug 02 IBM BPR&A TO Awarded $1.6M
Nov 02 IBM BPR&A Delivered
Sep 03 IBM TO Awarded $6.02M
TO awarded to incorporate modernized processes into RIA implementation of LMP chart 4
IBM BPR&A results discussed with chart 9

Rock Island Arsenal (RIA) TO Coverage

RIA ERP functionality to include functions of the core plus additional functionality required to support 3 RIA mission areas of base operations, logistics, and manufacturing.

- Base Operations
- Time and Attendance (HR)
- Plant Maintenance
- Shop Floor Control & Manufacturing Execution System
- Synchronization and Optimization of Automated Identification Technology (AIT)
- Tool management
- Quality Management
- Assembly & Disassembly
- Work Flow
- Project Management
- Warehouse Management

From Sep 03 RIA TO Update Brief to Executive Deputy to the Commanding General, AMC

Gov't intended RIA TO to be pilot for extending LMP into industrial base.

RIA TO Effort Status

- Sep 00: RIA TO awarded Firm Fixed Price for $3.6M, expected deployment May 02
- Nov 02 briefing to OBOD on risk mitigation of 1st pilot implementation resulted in immediate reallocation of all RIA TO Functional Integration Team (FIT) resources
- CSC will be able to provide plan for completion of RIA TO subsequent to second deployment planning
- 90% of $ disbursed to date ($3.2M of $3.6M tota

First priority to stabilize CECOM and work year-end issues

Highlighted Contract Modification Chronology

Mod and Date	Effect
P00002 4/27/01	Decoupled RIA from parent command (OSC) with implementation date of Oct 02
P00004 5/6/02	Deployment date revised to Mar 03
P00005 3/28/03	Deployment date revised to Nov 03

Contract Deliverables

- Services Description Document
- Implementation Plan
- Training Valid

30+ scenarios in various stages of completion

Modified from Sep 03 RIA TO Update Brief to Executive Deputy to the Commanding General, AMC

RIA stated desire is early deployment, separate from TACOM

Main Issues

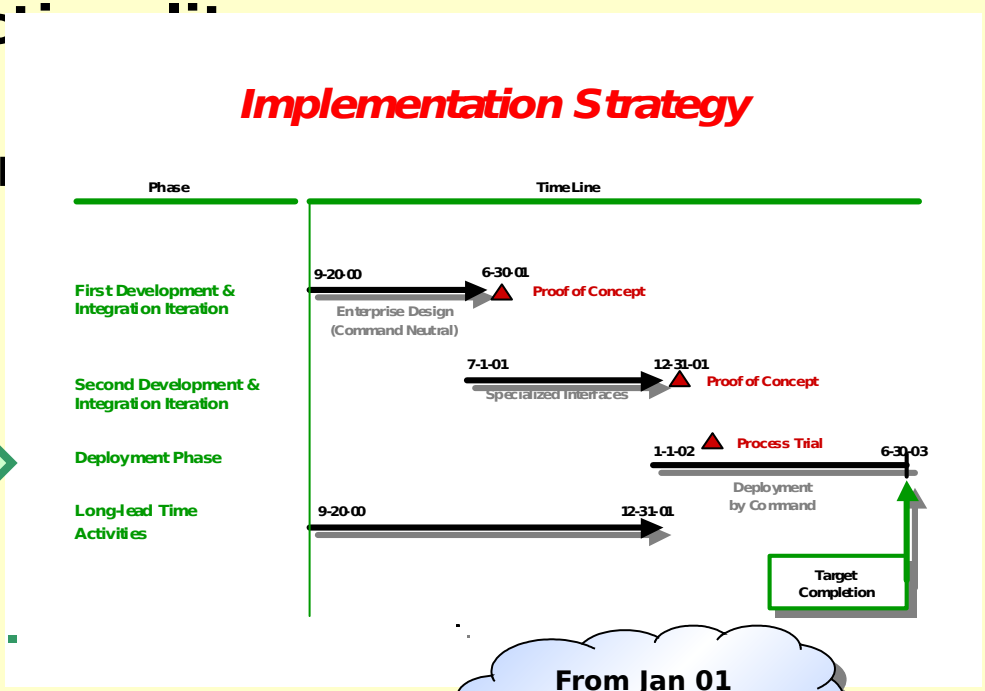
- Work stoppage
- Implementation date
- Continue to pay sustainment costs for systems that should be

WLMP INDUSTRIAL BASE MODERNIZATION - BACKGROUND

- **Core contract replaces CCSS AND SDS**
- **IMMCs & installations all have locally developed systems & processes that interface with CCSS and SDS**
- **Expect requirement for many bridges and uniques to go away due to SAP func**
- **Remaining bridges, uniq and interface requireme addressed during 2nd d**

OBJECTIVE

Establish a common ERP environment for the AMC Industrial Base



From Jan 01 Industrial Base OBOD Decision Brief

Industrial Base Background
Three Perspectives

Arsenal

- Watervliet
- Rock Island
- Pine Bluff

- Unique Mgt System at each
- All use AMCISS & SIFS
- SDS used in Log mission
- Common business processes but data structures and sources differ at each
- RIA pursued ERP prior to WLMP as prototype for arsenal ERP
- Began coordination with WLMP Oct 98
- Significant process analysis competed prior to WLMP T.O. under A76 effor
- Must integration

Maint Depot

- Anniston
- Corpus Christi
- Letterkenny
- Red River
- Tobyhanna

- SDS is primary Mgt System
- Core processes and data sources are common to all
- Numerous stand-alone systems & processes to support shop floor reqmts
- Degree to which core WLMP satisfies business needs higher than at arsenals
- Additional capability required for full shop floor integration

Ordnance GOGO

- Crane
- McAlester
- Blue Grass
- Sierra
- Tooele

- SDS is primary Mgt System
- Mfrg uses portions of SDS-Maintenance
- Logistics uses SDS-Supply
- Minimal stand-alone systems and processes
- Already have a significant investment in AIT that must be integrated with WLMP

No one answer for all business are

From Jan 01 Industrial Base OBOD Decision Brief

WLMP INDUSTRIAL BASE MODERNIZATION

PROPOSED INDUSTRIAL BASE TASK ORDER

- **WHAT WE EXPECT TO GET FROM THE TASK ORDER**
  - **Fully optimized and integrated Industrial Base ERP**
  - **Increased process efficiencies**
  - **Reduced overall automation sustainment costs, software fees**
  - **Reduced systems infrastructure requirements at each installation**
  - **Insure a common ERP environment exists at all AMC installations**
- **ALL DEPOTS & ARSENALS (NOT JUST CCAD OR RIA)**

From Jan 01 Industrial Base OBOD Decision Brief

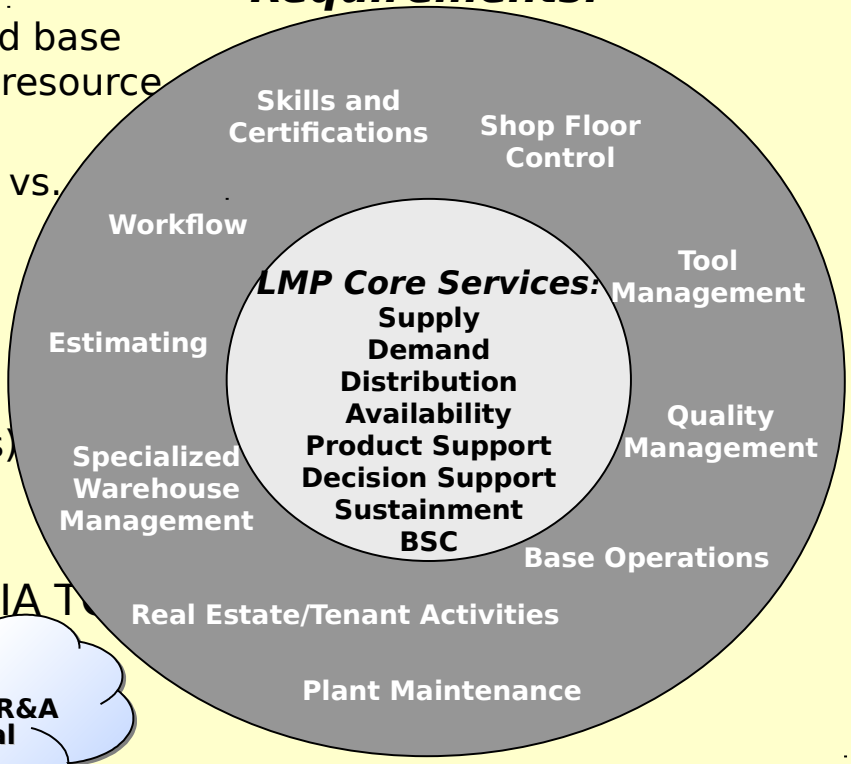
Study Approach

Analysis will cover existing AIT efforts

Special consideration to Lot & Serial Number Tracking, Flight Safety, Lean Manufacturing, and Inter-Service Workload

- Site Surveys conducted at each site addressing:
  - Shop floor control and necessary data collection
  - Analysis for application of Automatic Identification Technology (AIT)
  - Environmental health and safety data integration requirements
  - Conduct analysis of plant maintenance and base operation management to include human resource and quality management
  - Gap analysis of Industrial Legacy Systems vs. core solution
  - Define analysis of Information Technology and infrastructure requirements
- All site visits completed -
  - ANAD, TYAD, RRAD, CCAD, LEAD (2-4 days) WVA, PBA (1/2 – 1 day)
- Implementation recommendations will be integrated, supportive of core effort and RIA T

RIA Specific Requirements:



From Mar 03 Industrial Base BPR&A Brief to Principal Deputy, G-3, Army Materiel Command

BPR&A Results

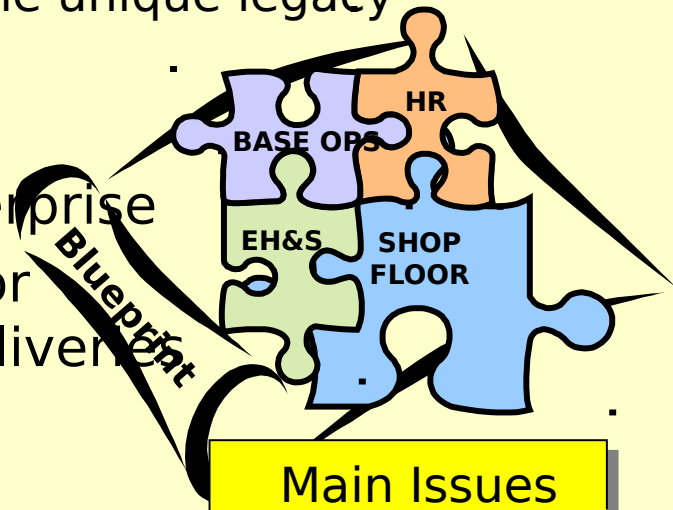
- Process Improvements
- AIT Architecture & Data Standards
- IMA Implications
- System Replacement Recommendation
- ROM and Implementation Timeframe

From Mar 03 Industrial Base BPR&A Brief to Principal Deputy, G-3, Army Materiel Command

Description of IBM TO

- Time and Materials (T&M) contract for $6,017,1
  12 month effort
- Scope/deliverables:
  - Fix Automated Storage and Retrieval System (ASRS)-side interface to Core LMP for next 2 depots fielded under core and complete TYAD ASRS fixes
  - Blueprint shop floor processes to subsume unique legacy systems and maximize AIT opportunities
- Phased approach
- Align with the Single Army Logistics Enterprise
- Specific scope language states contractor shall leverage core and RIA TO future deliver
- Intensive management required

LAISO serving as COTR for this Task Order



Original CSC ROM
Blueprint Shop Floor - $5.204M
ASRS Short Term Fixes - $2.196M
Blueprint ASRS Modernized Interface - $0.419
Total = $7.818M

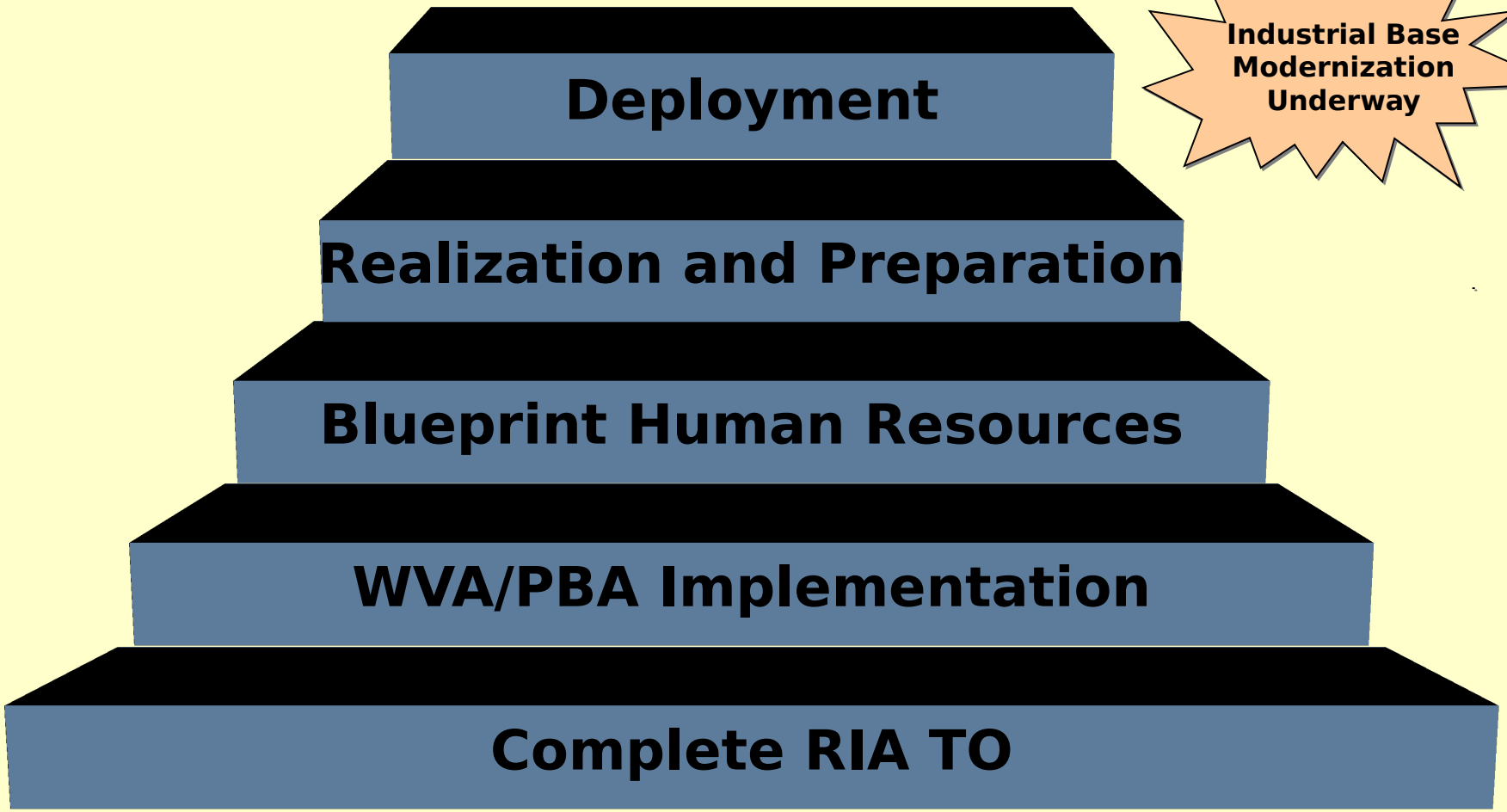
Scope reduced based on availability of funds

MG Thompson email of 7 Aug 03

Main Issues

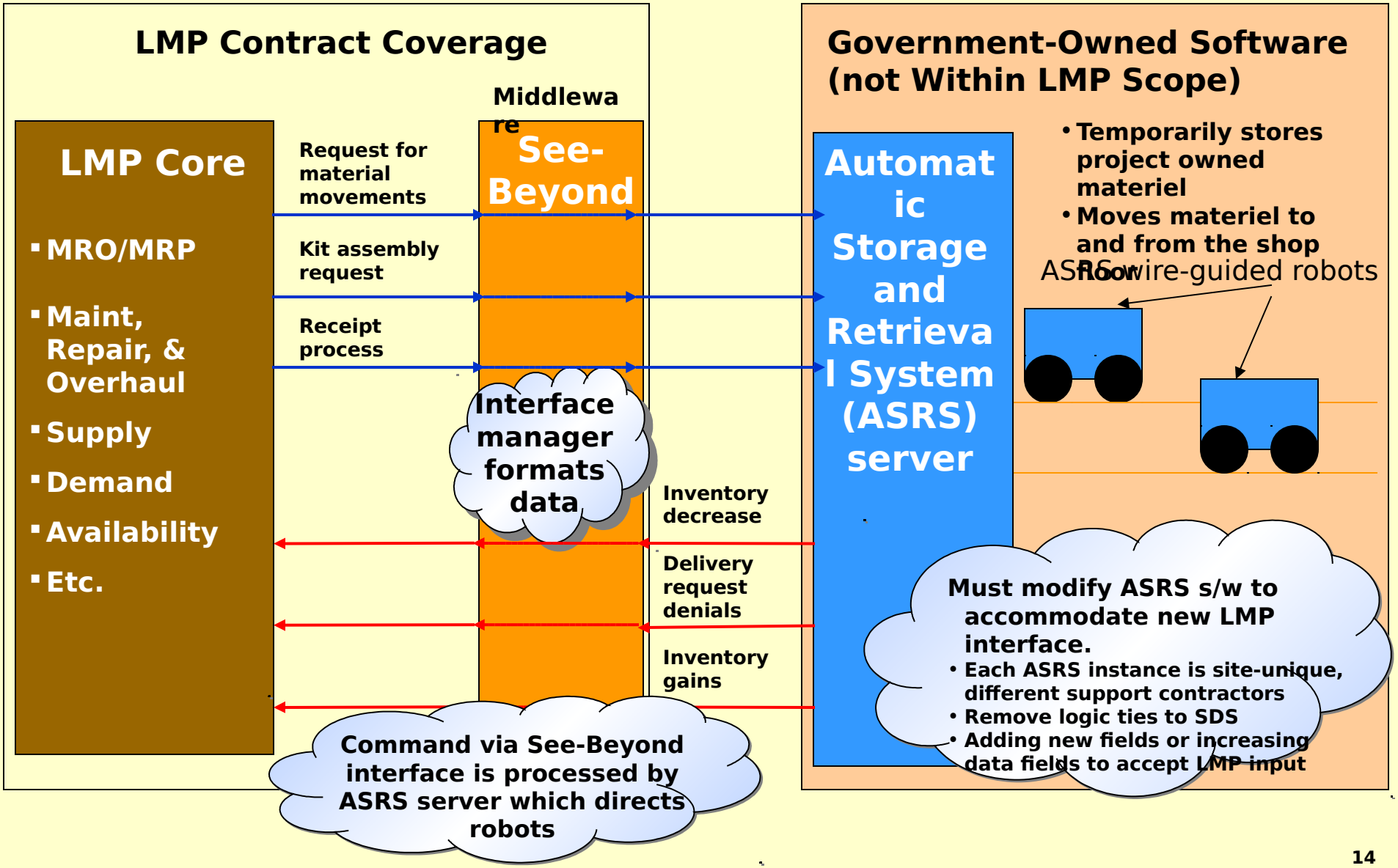
- Depot rate increases
- Return on investment
- SME availability
- Uncertainty of core

IBM Next Steps



Backup Charts

ASRS Interface


LMP Contract Coverage
Middlewa re
LMP Core
MRO/MRP
Maint, Repair, & Overhaul
Supply
Demand
Availability
Etc.
Request for material movements
Kit assembly request
Receipt process
See-Beyond
Interface manager formats data
Inventory decrease
Delivery request denials
Inventory gains
Command via See-Beyond interface is processed by ASRS server which directs robots
Government-Owned Software (not Within LMP Scope)
Automatic Storage and Retrieval System (ASRS) server
Temporarily stores project owned materiel
Moves materiel to and from the shop floor
ASRS wire-guided robots
Must modify ASRS s/w to accommodate new LMP interface.
Each ASRS instance is site-unique, different support contractors
Remove logic ties to SDS
Adding new fields or increasing data fields to accept LMP input

Funding Enablers

	Budgeted	ROM for Effort Original BPR&A (5 maint depots)
• Funding		
➢ SAP Enhancements - IBM TO		
▪ FY03 AWCF DMA budget submission	**$ 6.1M**	**$ 8.0M Blueprint**
▪ FY04 AWCF DMA budget submission Note: tied to PBD 704 reclama	**$10.6M**	**$15.2M Realization and Preparati**
▪ FY05 AWCF DMA budget submission	**$17.7M**	**$15.8M Deployment**
TOTAL DMA:	**$34.4M**	**$39.0M +/- 20%**
▪ FY04 AWCF ORD budget submission (WVA and PBA only)	**$ 8.5M**	**$5.0M Initial Blueprinting ROM**
TOTAL AWCF DMA & ORD:	**$42.9M**	**$39.0M +/- 20% + am**
➢ AIT		
▪ FY 04 UFR submitted	**$25.3M**	
▪ Requirements submitted for 05-09 POM	**$22.0M**	

Arsenal AIT requirements to be developed